



Department of Justice

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JUSTICE DEPARTMENT APPROVES CLEAR CHANNEL COMMUNICATIONS' **ACQUISITION OF PAXSON COMMUNICATIONS**

Justice Requires Paxson's Tampa Billboard Business to Remain Independent of Clear Channel

WASHINGTON D.C. -- The Justice Department today approved the San Antonio-based Clear Channel Communications Inc.'s acquisition of assets of Paxson Communications Corporation--two media companies--following the companies' agreement to keep Paxson's Tampa, Florida billboard business out of the deal.

If Clear Channel had been allowed to acquire Paxson's Tampa billboard business, as originally proposed, Clear Channel would have gained almost a 65 percent market share in the Tampa outdoor advertising market. The restructured deal assures that Paxson's Tampa billboard operations will remain independent of Clear Channel's Eller Media, the leading firm in the \$26 million a year Tampa area outdoor advertising market.

"The original proposed acquisition would have left Tampa outdoor advertisers with fewer choices and higher prices," said Joel I. Klein, Assistant Attorney General in charge of the Department's Antitrust Division. "The restructured acquisition preserves competition in that market while allowing the parties

to proceed with those portions of the transaction that do not threaten competition."

The West Palm Beach, Florida-based Paxson will hold on to its Tampa billboard business so that it will remain separate and apart from Clear Channel.

As part of the deal, Clear Channel will acquire other portions of Paxson's billboard business, all of its radio business and college sports radio rights.

Although the companies operate radio stations in Miami and Tampa, the Department said that the overlaps in these areas did not raise any significant anticompetitive concerns. The Department also said that the other aspects of the acquisition did not raise any competitive problems.

Billboards--large freestanding off-premise advertising signs--are used by marketers to promote and reinforce messages to thousands of automobile commuters as they pass the signs each day. Advertisers also use billboards to target busy consumers while they are away from home. Billboards are often the most cost-effective visual way to communicate with this valuable target audience.

Clear Channel operates radio and television stations and outdoor advertising businesses in 25 states. It has annual revenues of about \$650 million.

Paxson operates outdoor advertising businesses in Florida, radio stations in three states--Georgia, Tennessee and Florida--

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and owns the Miami Toros/Bulls Arena Football League franchise and the Florida Eagles American Hockey League franchise. It has annual revenues of about \$90 million.

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